

OFFICE OF THE ATTORNEY GENERAL



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STATE OF ALABAMA

March 1, 1993

ALABAMA STATE HOUSE
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Honorable Phillip E. Dotson
Chief Executive Officer
Athens/Limestone Hospital
700 West Market St.
Athens, AL 35611

Health Care Authorities -
Health Care Authorities Act

A health care authority
incorporated under the
provisions of Code of Alabama
1975, § 22-21-310, et seq.,
may enter into an agreement
whereby the authority pays
for education and training
of a hospital-based
physician, medical student or
health care worker in
exchange for a commitment
from the individual to work a
specified period of time for
the authority.

Dear Mr. Dotson:

This opinion is issued in response to your request for
an opinion from the Attorney General.

QUESTION

May the Health Care Authority of Athens
and Limestone County enter into agreements
with physicians, medical students and
other health care professionals to pay for
education and training in exchange for
these individuals agreeing to work for the

authority for a certain period of time at the conclusion of the education and training as repayment for the financial assistance?

FACTS AND ANALYSIS

A health care authority has the express power to expend funds "for the recruitment of employees and physicians, dentists and other health care professionals and for the promotion of employee morale and well being. . . ." Code of Alabama 1975, § 22-21-318(a)(28). Section 22-21-318(a)(29) enables a health care authority to provide scholarships for students training for work in a health care profession.

Further, a health care authority has the power to expend funds "to enter into such contracts [and] agreements . . . as may be necessary or convenient to accomplish any purpose for which the authority was organized. . . ." Code, § 22-21-318(a)(32). Recruitment of physicians into the area and training of such is certainly "necessary or convenient" to the very ability of the authority to carry out its purpose of treating patients.

In an opinion to Honorable Lois M. Rockhold, Member, House of Representatives, dated December 13, 1991, A.G. No. 92-00082, the Attorney General concluded that a health care authority under Code, § 22-21-350 through § 22-21-356 may create, establish, acquire, operate or support a subsidiary which has as its corporate purpose the recruitment of physicians in its community.

Thus, there is authorization for a health care authority to enter into an agreement with hospital-based physicians, medical students and other health care professionals to furnish financial assistance for their education and training in return for a commitment to work for the health care authority for a specified time.

CONCLUSION

A health care authority incorporated under the provisions of Code of Alabama 1975, § 22-21-310, et seq., may enter into agreements with hospital-based physicians, medical students and health care professionals whereby the authority pays for education and training of the individual

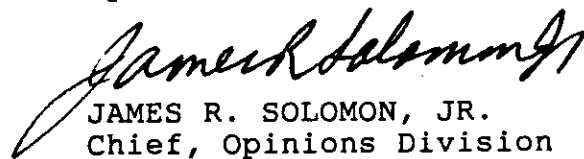
Honorable Phillip E. Dotson
Page 3

in exchange for a commitment from the individual to work a specified period of time for the authority.

I hope this sufficiently answers your question. If our office can be of further assistance, please do not hesitate to contact us.

Sincerely,

JIMMY EVANS
Attorney General
By:



JAMES R. SOLOMON, JR.
Chief, Opinions Division

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